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February 25, 1994

VIA OVERNIGHT COURIER

RECORDATION NO. 18303 FILED 1425

FEB 28 1994 -9 55 AM

INTERSTATE COMMERCE COMMISSION

Secretary
Interstate Commerce Commission
Room 2303
Washington, DC 20423

Attention: Mrs. Mildred Lee/DOCUMENTS FOR RECORDATION

Re: Recordation No. 18303

Dear Mr. Strickland:

I am an attorney representing a party to the enclosed documents. I have enclosed one original and one copy of the document described below, to be recorded pursuant to Section 11303 of Title 49 of the United States Code and the regulations adopted thereto.

The document is Supplement No. 3 to Master Railcar Lease Agreement, a secondary document, dated as of February 18, 1994. The names and addresses of the parties to the foregoing document are as follows:

Lessor: The CIT Group/Equipment Financing, Inc.
1211 Avenue of the Americas
New York, New York 10036

Lessee: Burlington Northern Railroad Company
3200 Continental Plaza
777 Main Street
Fort Worth, Texas 76102

The primary document to which the foregoing document is connected is recorded under Recordation No. 18303.

The units of equipment covered by the foregoing document are five (5) 3980 cubic foot aluminum rapid discharge hopper cars bearing marks and numbers MCHX 31285-31289 (inclusive).

RT
OFFICE OF THE
SEC. CLERK
FEB 28 9 49 AM '94
LICENSING DIVISION

Mrs. Mildred Lee
Page Two
February 25, 1994

A fee of \$18.00 is enclosed. Please return the original and any extra copies not needed by the Commission for recordation and the enclosed copy of this letter, each stamped with your recordation number, to Stacy Powell-Bennett, Esq., Seyfarth, Shaw, Fairweather & Geraldson, 55 East Monroe Street, Suite 4200, Chicago, Illinois 60603.

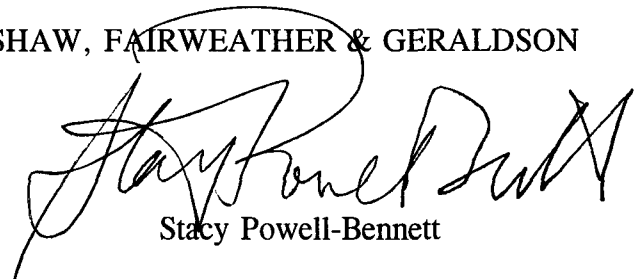
A short summary of the document to appear in the index follows:

Supplement No. 3 to Master Railcar Lease Agreement dated as of February 18, 1994, by The CIT Group/Equipment Financing, Inc., New York, New York, and Burlington Northern Railroad Company, Fort Worth, Texas.

Yours very truly,

SEYFARTH, SHAW, FAIRWEATHER & GERALDSON

By



Stacy Powell-Bennett

SPB/cjp
15790

Enclosures

cc: Richard Demarest Yant
Brandon Smith
Timothy White
Michael Martin

Interstate Commerce Commission
Washington, D.C. 20423

3/7/94

OFFICE OF THE SECRETARY

Stacy Powell Bennett, Esq
Seyfarth, Shaw Fairweather & Geraldson
55 East Monroe Street, Suite 4200
Chicago, Illinois 60603

Dear sir:

The enclosed document(s) was recorded pursuant to the provisions
of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303,
on 2/28/94 at 9:55am, and assigned
recordation number(s). 18303-^C~~2~~

Sincerely yours,

Secretary
SIDNEY L. STRICKLAND, JR.

Enclosure(s)

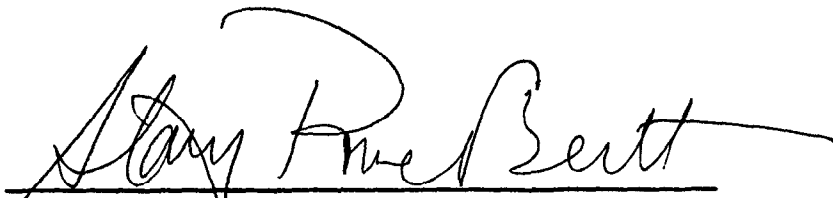
RECORDATION NO. 18303-B FILED 1425

FEB 28 1994 -9 55 AM

INTERSTATE COMMERCE COMMISSION

CERTIFIED COPY

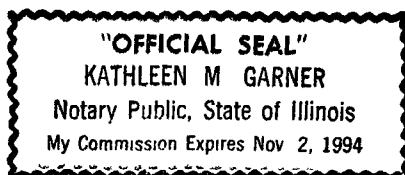
I, Stacy Powell-Bennett, the undersigned affiant, certify and affirm that I have compared the attached copy with the original and have found the copy to be complete and identical in all respects to the original document.


Stacy Powell-Bennett

STATE OF ILLINOIS)
)
COUNTY OF C O O K) SS.

The foregoing instrument was acknowledged before me this 18th
day of February, 1994, by Stacy Powell-Bennett.


NOTARY PUBLIC



RECORDATION NO. 18303-C FILED 1425
FEB 28 1994-9 55 AM
INTERSTATE COMMERCE COMMISSION

SUPPLEMENT NO. 3
TO
MASTER RAILCAR LEASE AGREEMENT

THIS SUPPLEMENT is entered into as of February 18, 1994, between THE CIT GROUP/EQUIPMENT FINANCING, INC. ("Lessor") and BURLINGTON NORTHERN RAILROAD COMPANY ("Lessee") pursuant to and in accordance with the Master Railcar Lease Agreement dated as of May 28, 1993 between Lessor and Lessee (the "Lease", the defined terms therein being used herein with their defined meanings).

1. Subject to the terms and conditions of the Lease and the additional terms and conditions of this Supplement, Lessor shall Lease to Lessee and Lessee shall lease from Lessor five (5) rapid discharge coal hopper railroad cars more fully described on Schedule 1, Part A hereto (referred to in this Supplement as the "Units"). The Interim Term of the lease of a Unit shall commence when such Unit is delivered to Lessee. The Basic Term of the lease of the Units shall commence on the first day of the next calendar month beginning after all of the Units have been delivered to Lessee and shall end on May 31, 1995. Lessee shall accept delivery of the Units at the builder's facility in Johnstown, Pennsylvania. Lessee agrees to execute and deliver an Acceptance Certificate on the form attached hereto as Exhibit A as Units are delivered to Lessee. The parties estimate that the Units will be available for delivery on or about May, 1994. Schedule 1, Part A provides for the Commodity for the Units.

2. The Rent for the Units is set forth on Schedule 1, Part B.

3. The Stipulated Loss Values for the Units are as set forth on Schedule 2.

4. Lessee confirms and agrees that:

(a) no Default or Event of Default is in existence as of the date hereof, nor shall any Default or Event of Default occur as a result of the lease by Lessee of the Units specified herein;

(b) the following representations and warranties of Lessee are true and correct as of the date hereof and shall be true and correct as of the Interim Term Commencement Date set forth on the applicable Acceptance Certificate with the same force and effect as if made on such dates:

(i) Organization. Lessee is a corporation duly organized, validly existing and in good standing under the laws of the State of Delaware.

(ii) Power and Authority. Lessee has full power, authority and legal right to execute, deliver and perform this Lease, and the execution, delivery and performance hereof has been duly authorized by all necessary corporate action of Lessee.

(iii) Enforceability. The Lease and this Supplement have been duly executed and delivered by Lessee and constitute legal, valid and binding obligations of Lessee enforceable in accordance with their terms.

(iv) Consents and Permits. The execution, delivery and performance of the Lease and this Supplement do not require any stockholder approval or approval or consent of any trustee or holders of any indebtedness or obligations of Lessee, and will not contravene any law, regulation, judgment or decree applicable to Lessee, or the certificate of incorporation or bylaws of Lessee, or contravene the provisions of, or constitute a default under, or result in the creation of any Lien upon any property of Lessee under any mortgage, instrument or other agreement to which Lessee is a party or by which Lessee or its assets may be bound or affected; and no authorization, approval, license, filing or registration with any court or governmental agency or instrumentality is necessary in connection with the execution, delivery, performance, validity and enforceability of this Lease.

(v) No Defaults. Lessee is not in default, and no event or condition exists which after the giving of notice or lapse of time or both would constitute an event of default, under any mortgage, indenture, contract, agreement, judgment or other undertaking to which Lessee is a party or which purports to be binding upon Lessee or upon any of the assets of Lessee, except for any such default, event or condition which, individually or in the aggregate, would not affect Lessee's ability to perform its obligations under this Lease or any such mortgage, indenture, contract, agreement, judgment or other undertaking.

(vi) No Litigation. There is no action, suit, investigation or proceeding by or before any court, arbitrator, administrative agency or other governmental authority pending or, to the knowledge of Lessee, threatened against Lessee (A) which involves the Equipment or the transactions contemplated by the Lease; or (B) which, if adversely determined, could have a material adverse effect on the financial condition, business or operations of Lessee.

(vii) Financial Condition. The financial statements of Lessee heretofore furnished to Lessor are complete and correct and fairly present the financial condition of Lessee and the results of its operations for the respective periods covered thereby; and since the date thereof, there has been no material adverse change in such financial condition or operations.

(viii) Chief Executive Office; Name Change; Trade Styles. Lessee's chief executive office is located at 777 Main Street, Fort Worth, Texas. Lessee has not changed its name in the last five (5) years.

(ix) Non-Permitted Use. Throughout the Lease Term, the use of the Units by Lessee will not cause, and the use by third parties will not cause, any Unit either to constitute "tax-exempt use property" within the meaning of § 168(h) of the Code or any successor provision or to be deemed to be used "predominantly outside the United States" within the meaning of § 168(g)(4) of the Code or any successor provision.

(c) Lessee has reviewed the provisions of Section 5 of the Lease disclaiming warranties and acknowledges that it is bound by said provisions.

(d) Lessee has reviewed the provisions of Section 20 of the Lease prohibiting or restricting the assignment or other transfer of its interests in the Lease or the Equipment leased to it and is bound by such provisions as set forth in said Lease. Lessee agrees that said provisions are made "conspicuous" by this paragraph.

(e) Lessee has reviewed the provisions of Section 28(b) of the Lease providing that no provision of the Lease as written may be modified except by a written agreement, and Lessee is bound by such provisions. Lessee's authorized representative has separately initialed this paragraph to evidence Lessee's agreement to be bound by said provisions.

Lessee:

(Please initial here)

BURLINGTON NORTHERN
RAILROAD COMPANY

WBL

5. Additional Terms.

Rent will continue on all Units subject to this Supplement and all units subject to Supplement and Acceptance Certificate No. 1 until all Units described herein and in Supplement and Acceptance Certificate No. 1 are returned as required in Section 6 of the Lease, and the free storage period described in Section 6 of the Lease shall not commence until all such Units are so returned.

6. Conditions to Lessor's Obligations. In addition to the conditions contained in the Lease, Lessor's obligations, including its obligation to provide the Units to Lessee, shall be subject to the following conditions:

(a) Lessor shall have acquired the Units from the manufacturer thereof on terms and conditions reasonably satisfactory to Lessor on or before September 30, 1994.

(b) No change in law shall have occurred or, in Lessor's reasonable judgment shall appear imminent, which could adversely affect Lessor's economics or Lessor's current or potential rights with respect to the Units.

(c) Lessor shall have received and approved, in its sole discretion, (i) any agreement between Lessee and any person or entity that is to provide maintenance for the Units and (ii) any agreement between Lessee and any person or entity owning or controlling any railroad or non-railroad reporting marks that are to be placed on any of the Units which are not owned or controlled by Lessee.

(d) Lessor shall have received one or more Acceptance Certificates, in form attached hereto as Exhibit A, covering all of the Units, executed by or on behalf of Lessee.

7. Incorporation of Terms of Lease. All of the terms, provisions and conditions of the Lease are hereby incorporated herein and made a part hereof as if such terms, provisions and conditions were set forth in full in this Supplement. By its execution and delivery of this Supplement, the Lessee reaffirms all of the terms, provisions and conditions of the Lease.

IN WITNESS WHEREOF, Lessor and Lessee have each caused this Supplement No. 3 to be duly executed as of the date first above written, and the undersigned signatories each hereby declare pursuant to 28 U.S.C. Section 1746 under penalty of perjury that the foregoing is a true and correct document and was executed on the date indicated below its signature.

LESSOR:

**THE CIT GROUP/EQUIPMENT
FINANCING, INC.**

By: Jan B. Stein
Title: SVP
Date: 2/18/94

LESSEE:

BURLINGTON NORTHERN RAILROAD COMPANY

By: [Signature]
Title: V.P. EQUIPMENT MANAGEMENT
Date: 1/25/94

1119Y012294

ACKNOWLEDGMENTS

State of New York)
County of New York) ss.

On this 18 day of February, 1994, before me personally appeared Juan B. Stern, to me personally known, who, being by me duly sworn, did say that he is a Sr. Vice President of THE CIT GROUP/EQUIPMENT FINANCING, INC., that said instrument was signed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of the corporation.

Lisa Tari
Notary Public

My commission expires: February 24, 1994

LISA TARI
Notary Public, State of New York
No. 41-4992286
Qualified in Queens County
Commission Expires February 24, 1994

State of Texas)
County of Tarrant) ss.

On this 25th day of January, 1994, before me personally appeared William E. Brown, to me personally known, who, being by me duly sworn, did say that he is a VP Equipment Mgmt of BURLINGTON NORTHERN RAILROAD COMPANY, that said instrument was signed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of the corporation.

Lynne M. Yarus
Notary Public

My commission expires: 9-30-96

SCHEDULE 1

Part A:

Units:

Five (5) 3980 cubic foot aluminum rapid discharge hopper cars, 1994 Johnstown America built, to be bearing marks MCHX and the following running numbers in series 31285 - 31289 (inclusive):

~~[SEE ATTACHED]~~

AAR Mechanical Design: HTS

AAR Car Type Code: K341

Commodity: Coal

SCHEDULE 2

Stipulated Loss Values

Rent Payment Date

Stipulated Loss Value

SEE ATTACHED

EXHIBIT A TO SUPPLEMENT NO. 3

ACCEPTANCE CERTIFICATE

Interim Term Commencement Date: _____, 1994
Basic Term Commencement Date: _____, 1994

THIS ACCEPTANCE CERTIFICATE is delivered to THE CIT GROUP/EQUIPMENT FINANCING, INC. ("Lessor") by BURLINGTON NORTHERN RAILROAD COMPANY ("Lessee") pursuant to and in accordance with the Master Railcar Lease Agreement dated as of May 28, 1993 between Lessor and Lessee and the Supplement No. 3 thereto dated as of _____, 1993 (the "Lease", the defined terms therein being used herein with their defined meanings).

1. The Units covered by this Certificate are described in Schedule 1 attached hereto.

2. Lessee confirms that

(a) the Units covered hereby have been delivered to it and all Units are plainly marked with the marks and numbers provided in Schedule 1;

(b) the Units covered hereby have been inspected by Lessee, have been delivered in good working order and condition, and are of the size, design, capacity and manufacture selected by Lessee and conform to the specifications applicable thereto and to all applicable FRA requirements and specifications and to all standards recommended by the AAR reasonably interpreted as being applicable to new railroad equipment of the character of such Units;

(c) there was plainly, distinctly, permanently and conspicuously placed in letters not less than one inch in height on each side of each Unit:

SUBJECT TO LEASE OR SECURITY INTEREST FILED WITH THE U.S. INTERSTATE COMMERCE COMMISSION;

(d) no Default or Event of Default is in existence as of the Interim Term Commencement Date set forth above, nor shall any Default or Event of Default occur as a result of the lease by Lessee of the Units specified herein; and

(e) the following representations and warranties of Lessee are true and correct as of the Interim Term Commencement Date set forth above with the same force and effect as if made on such date:

(i) Organization. Lessee is a corporation duly organized, validly existing and in good standing under the laws of the State of Delaware.

(ii) Power and Authority. Lessee has full power, authority and legal right to execute, deliver and perform this Lease, and the execution, delivery and performance hereof has been duly authorized by all necessary corporate action of Lessee.

(iii) Enforceability. The Lease and this Acceptance Certificate have been duly executed and delivered by Lessee and constitute legal, valid and binding obligations of Lessee enforceable in accordance with their terms.

(iv) Consents and Permits. The execution, delivery and performance of the Lease and this Acceptance Certificate do not require any stockholder approval or approval or consent of any trustee or holders of any indebtedness or obligations of Lessee, and will not contravene any law, regulation, judgment or decree applicable to Lessee, or the certificate of incorporation or bylaws of Lessee, or contravene the provisions of, or constitute a default under, or result in the creation of any Lien upon any property of Lessee under any mortgage, instrument or other agreement to which Lessee is a party or by which Lessee or its assets may be bound or affected; and no authorization, approval, license, filing or registration with any court or governmental agency or instrumentality is necessary in connection with the execution, delivery, performance, validity and enforceability of this Lease.

(v) No Defaults. Lessee is not in default, and no event or condition exists which after the giving of notice or lapse of time or both would constitute an event of default, under any mortgage, indenture, contract, agreement, judgment or other undertaking to which Lessee is a party or which purports to be binding upon Lessee or upon any of the assets of Lessee, except for any such default, event or condition which, individually or in the aggregate, would not affect Lessee's ability to perform its obligations under this Lease or any such mortgage, indenture, contract, agreement, judgment or other undertaking.

(vi) No Litigation. There is no action, suit, investigation or proceeding by or before any court, arbitrator, administrative agency or other governmental authority pending or, to the knowledge of Lessee, threatened against Lessee (A) which involves the Equipment or the transactions contemplated by the Lease; or (B) which, if adversely determined, could have a material adverse effect on the financial condition, business or operations of Lessee.

(vii) Financial Condition. The financial statements of Lessee heretofore furnished to Lessor are complete and correct and fairly present the financial condition of

Lessee and the results of its operations for the respective periods covered thereby; and since the date thereof, there has been no material adverse change in such financial condition or operations.

(viii) Chief Executive Office; Name Change; Trade Styles. Lessee's chief executive office is located at 777 Main Street, Fort Worth, Texas. Lessee has not changed its name in the last five (5) years.

(ix) Non-Permitted Use. Throughout the Lease Term, the use of the Units by Lessee will not cause, and the use by third parties will not cause, any Unit either to constitute "tax-exempt use property" within the meaning of § 168(h) of the Code or any successor provision or to be deemed to be used "predominantly outside the United States" within the meaning of § 168(g)(4) of the Code or any successor provision.

3. All of the terms, provisions and conditions of the Lease are hereby incorporated herein and made a part hereof as if such terms, provisions and conditions were set forth in full in this Certificate. By its execution and delivery of this Certificate, the Lessee reaffirms all of the terms, provisions and conditions of the Lease.

IN WITNESS WHEREOF, Lessee has caused this Acceptance Certificate to be duly executed by its duly authorized officer as of the Interim Term Commencement Date set forth above.

LESSEE:

BURLINGTON NORTHERN RAILROAD COMPANY

By: _____
Title: _____

ACCEPTED AND AGREED TO AS OF
THE INTERIM TERM COMMENCEMENT
DATE SET FORTH ABOVE

THE CIT GROUP/EQUIPMENT FINANCING, INC.

By: _____
Title: _____

SCHEDULE 1

Units:

Five (5) 3980 cubic foot aluminum rapid discharge hopper cars, 1994 Johnstown America built, which are plainly marked with the reporting marks MCHX and the following running numbers in series _____-_____ (inclusive):

[SEE ATTACHED]

AAR Mechanical Design: HTS

AAR Car Type Code: K341